



## The Tamil Nadu Co-Operative Societies (Amendment) Act, 1989

Act 36 of 1989

**Keyword(s):**

By-Laws, Committee, Financing Bank, Nominal or Associate Member, Registered Society, Society, Society with Limited Liability, Supervising Union

Amendments appended: 19 of 1992, 50 of 1999, 12 of 2001, 9 of 2002, 18 of 2003, 3 of 2004, 13 of 2004, 18 of 2004, 3 of 2005, 20 of 2006, 21 of 2006, 39 of 2006, 6 of 2007, 3 of 2008, 19 of 2008, 46 of 2008, 62 of 2008

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The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 17th November 1989 and is hereby published for general information :—

ACT No. 36 OF 1989.

*An Act to amend the Tamil Nadu Co-operative Societies Act, 1983.*

Enacted by the Legislative Assembly of the State of Tamil Nadu in the Fortieth Year of the Republic of India as follows :—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Amendment) Act, 1989. Short title and commencement.

(2) The provisions of this Act, except sub-section (6) of section 6 and sections 9 and 10, shall be deemed to have come into force on the 3rd day of July 1989.

Tamil Nadu Act,  
30 of 1983.

2. In section 2 of the Tamil Nadu Co-operative Societies Act, 1983 (hereinafter referred to as the principal Act),— Amendment of section 2.

(1) in clause (9),—

(a) for sub-clauses (a) and (b), the words “any registered society notified by the Government as a central society” shall be substituted;

(b) in the *Explanation*, the expression “sub-clause (b) of” shall be omitted;

(2) in clause (23), for the words “any other officer of the Government” the words “any other officer of the Government or any officer of any body corporate owned or controlled by the Government” shall be substituted.

3. In section 3 of the principal Act, for the words “any other officer of the Government”, the words “any other officer of the Government or any officer of any body corporate owned or controlled by the Government” shall be substituted. Amendment of section 3.

4. In section 26 of the principal Act,—

(1) for sub-section (2), the following sub-sections shall be substituted, namely :— Amendment of section 26.

“(2) Where a registered society has invested any part of its funds in the shares of, or is a member of, another registered society (which latter society hereafter in this sub-section referred to as such other society)—

(a) in the case of a registered society of the same class or category, of such other society, the president of the first mentioned society, and

(b) in the case of any other registered society, one of the members of the board of that society not disqualified for such election under the rules or the by-laws of such other society elected from among themselves in such manner as may be prescribed,

shall be the delegate of such registered society entitled to vote in the affairs of such other society.

(2-A) Where the Government are, or any body of persons referred to in item (iv) of clause (a) of sub-section (1) of section 21 is, a member of any registered society, the Government or, as the case may be, that body of persons may appoint a person to represent them or it on the general body or in a meeting thereof and to vote in the affairs, of such society.”;

(2) in sub-section (2), for the expression “in sub-section (1) of section 21” the expression “in the foregoing sub-sections” shall be substituted.

Amendment of  
section 32.

5. In section 32 of the principal Act, in sub-section (2),—

(1) in clause (i),—

(a) the brackets and figure “(i)” shall be omitted ;

(b) in sub-clause (d), the word “and” occurring at the end shall be omitted ;

(c) after sub-clause (d), the following sub-clause shall be inserted, namely :—

“(dd) appraisal of the programme of the activities of the society ; and” ;

(2) clause (ii) shall be omitted.

Amendment of  
section 33.

6. In section 33 of the principal Act,—

(1) in sub-section (1), in clause (a).—

(a) for the first proviso, the following proviso shall be substituted, namely :—

“Provided that in the board of every agricultural producers marketing society, credit society, consumer society, milk producers society and oil seeds growers society and such other class or category of registered societies as may be prescribed, there shall be thirty per cent representation for women and eighteen per cent representation for Scheduled Castes and Scheduled Tribes and if the representatives of women or Scheduled Castes and Scheduled Tribes are not elected to that extent, then, the prescribed authority may nominate, in the public interest, from among the members of the registered society, the representatives of women or Scheduled Castes and Scheduled Tribes, as the case may be, to that extent” ;

(b) in the second proviso, for the portion beginning with the words “Provided further that” and ending with the words “or women”, the following shall be substituted, namely :—

“Provided further that in the board of every weavers society, there shall be thirty per cent representation for women and if the representatives of women are not elected to that extent, then, the prescribed authority may nominate, in the public interest, from among the members of the registered society, the representatives of women to that extent :

Provided also that nothing contained in the first proviso and the second proviso shall be deemed to prevent any woman or the members of the Scheduled Castes and Scheduled Tribes” ;

(2) in sub-section (2),—

(a) in the opening portion, for the expression “Notwithstanding anything contained in sub-section (1)”, the expression “Notwithstanding anything contained in sub-section (1) but subject to sub-section (3)” shall be substituted ;

(b) for the first proviso, the following proviso shall be substituted, namely :—

“Provided that in the case of scheduled co-operative societies, the majority of members of which are individuals, in the board of every such society, there shall be thirty per cent representation for women and eighteen per cent representation for Scheduled Castes and Scheduled Tribes and if the representatives of women or Scheduled Castes and Scheduled Tribes are not elected to that extent, then, the

prescribed authority may nominate, in the public interest, from among the members, if available, of the scheduled co-operative society, and if not so available, from among the members of the societies—

- (i) affiliated to the scheduled co-operative society, or
  - (ii) affiliated to the societies which are affiliated to the scheduled co-operative society,
- the representatives of women or Scheduled Castes and Scheduled Tribes, as the case may be, to that extent.”;

(c) in the second proviso, for the words “the members of the Scheduled Castes and Scheduled Tribes or the economically weaker sections or women”, the words “any woman or the members of the Scheduled Castes and Scheduled Tribes” shall be substituted;

(d) for *Explanation I*, the following *Explanation* shall be substituted, namely:—

“*Explanation I*.—For the purposes of sub-sections (1), (2) and (4), while calculating the thirty per cent or eighteen per cent of representation, the fraction, if any, shall be ignored if it is less than half, or rounded off to the nearest whole number if it is equal to or more than half.”;

(3) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) The board shall consist of—

(a) in the case of an apex society, not less than eleven and not more than twenty-nine members as may be specified in the rules or by-laws;

(b) in the case of a central society, not less than nine and not more than twenty-five members as may be specified in the rules or by-laws; and

(c) in the case of a primary society, not less than seven and not more than fifteen members as may be specified in the rules or by-laws.”;

(4) in sub-section (4), in clause (b),—

(a) in sub clause (i), for the proviso, the following proviso shall be substituted, namely:—

“Provided that there shall be thirty per cent representation for women and eighteen per cent representation for Scheduled Castes and Scheduled Tribes and if the representatives of women or Scheduled Castes and Scheduled Tribes are not elected to that extent, then, the prescribed authority may nominate, in the public interest, from among the members of the registered society, the representatives of women or Scheduled Castes and Scheduled Tribes, as the case may be, to that extent.”;

(b) in sub-clause (ii), the proviso shall be omitted;

(5) in sub-section (11), in clause (b),—

(a) the words “and the delegates of the registered society to the general body of other registered society” shall be omitted;

(b) the first and the second provisos shall be omitted;

(c) in the third proviso,—

(i) for the words “Provided also that”, the words “Provided that” shall be substituted;

(ii) the words “or a delegate” occurring in both the places shall be omitted;

(iii) the words “or the delegate” shall be omitted;

(6) in sub-section (12), for the words "an employee of the financing bank", the words "an employee of the financing bank or an employee of any body corporate owned or controlled by the Government" shall be substituted;

(7) in sub-section (13), for the words "every month", the words "every three months" shall be substituted.

Amendment of  
section 34.

7. In section 34 of the principal Act,—

(1) in sub-section (4),—

(a) in clause (a), for the words "three registered societies", the words "five registered societies" shall be substituted;

(b) in clause (b), for the words "one apex society or more than one central society", the words "two apex societies or more than two central societies" shall be substituted;

(c) in clause (c),—

(i) in sub-clause (i), for the words "three registered societies", the words "five registered societies" shall be substituted;

(ii) in sub-clause (ii), for the words "an apex society or a central society", the words "two apex societies or two central societies" shall be substituted;

(iii) clause (d) shall be omitted;

(2) for sub-section (7), including the *Explanation* thereunder, the following sub-section shall be substituted, namely:—

"(7) No person shall be eligible for being elected or nominated as president for more than three registered societies."

Amendment of  
section 80.

8. In section 80 of the principal Act, in sub-section (1), in clause (b), the following *Explanation* shall be added at the end, namely:—

"*Explanation.*—In computing the period referred to in this clause, sub-section (4) of section 81, sub-section (4) of section 82, the second proviso to sub-section (1) of section 87 or the first proviso to clause (e) of sub-section (1) of section 88, any period or periods during which any proceeding under the respective provision was held up on account of any stay or injunction by the order of any court shall be excluded."

Amendment of  
section 88.

9. In section 88 of the principal Act, in sub-section (1), in clause (a), for the words "a Government servant", the words "a Government servant or an employee of any body corporate owned or controlled by the Government" shall be substituted.

Amendment of  
section 89.

10. In section 89 of the principal Act, in sub-section (1), for the words "a Government servant", the words "a Government servant or an employee of any body corporate owned or controlled by the Government" shall be substituted.

Amendment of  
section 142.

11. To section 142 of the principal Act, the following proviso shall be added, namely:—

"Provided that the Registrar shall not cancel or withdraw the winding-up of any insured co-operative bank without the prior permission of the Reserve Bank of India."

Amendment of  
section 161.

12. Section 161 of the principal Act shall be numbered as sub-section (1) of that section, and after sub-section (1) as so numbered, the following sub-section shall be inserted, namely:—

"(2) Whoever not entitled to be in possession of any of the records and properties of the society (whether or not member of the board which has been reconstituted or superseded or a member, officer, an employee, or a paid servant of any society which has been ordered to be wound-up) referred to in sub-section (1)

of section 165 prevents the re-constituted board, special officer or liquidator, as the case may be, from obtaining the possession of the said records and properties of the society shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to two thousand rupees or with both and shall also be liable to fine which may extend to one hundred rupees for every day of such prevention until seizure of such records and properties of the society under sub-section (4) of section 165."

13. In section 180 of the principal Act, in sub-section (2), for clause (m), the following clause shall be substituted, namely :—

Amendment of section 180.

"(m) provide for the constitution of executive committee or any sub-committee by the board and for delegating any of the powers or duties of the board to such committee or sub-committee ;".

14. Notwithstanding anything contained in the principal Act or the rules made thereunder, or in any other law for the time being in force, or in any judgment, decree or order of any court or other authority—

Special provision relating to nomination or election under Tamil Nadu Act 30 of 1983.

(a) the term of office of every member of every board of a registered society nominated under the principal Act on or after the 13th day of April 1988 and holding office as such on the 3rd day of July 1989, shall expire on such date as may be specified by the State Government, by notification, and different dates may be specified for different classes or categories of societies ; and

(b) any election held under the principal Act before the 3rd day of July 1989 to the board of any registered society shall be deemed never to have been held and accordingly no person shall be deemed ever to have been elected to any board under the principal Act.

Nadu 15. (1) The Tamil Nadu Co-operative Societies (Amendment) Ordinance, Repeal and saving-  
ance 3 of 1989, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

(By order of the Governor )

P. JEYASINGH PETER,  
Secretary to Government, Law Department.



# TAMIL NADU GOVERNMENT GAZETTE EXTRAORDINARY

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## Part IV—Section 2 Tamil Nadu Acts and Ordinances

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 8th May 1992 and is hereby published for general information :—

ACT No. 19 OF 1992.

*An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.*

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Forty-third Year of the Republic of India as follows :—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Amendment and Special Provisions) Act, 1992.

Short title and  
commencement.

(2) It shall come into force at once.

Tamil Nadu Act  
30 of 1983.

2. In section 23 of the Tamil Nadu Co-operative Societies Act, 1983 (hereinafter referred to as the principal Act),—

Amendment of  
section 23.

(1) in sub-section (1),—

(a) in clause (g), the word “or” shall be added at the end;

(b) after clause (g), the following clause shall be added, namely :—

“(h) does not possess the qualification, with reference to the principal object of the society, prescribed in the rules or the by-laws.”;

(2) in sub-section (2),—

(a) in the proviso to clause (f), the word “or” shall be added at the end;

(b) after clause (f), the following clause shall be added, namely :—

“(g) does not possess the qualification, with reference to the principal object of the society, prescribed in the rules or the by-laws.”

Amendment of  
section 33,

3. In section 33 of the principal Act,—

(1) in sub-section (1) in clause (a), for the first and second provisos, the following provisos shall be substituted, namely:—

“Provided that among the members elected to the board of every society belonging to such class or category of registered societies as may be prescribed, there shall be thirty per cent representation for women and eighteen per cent representation for Scheduled Castes and Scheduled Tribes and if the representatives of women or Scheduled Castes and Scheduled Tribes are not elected to that extent, then, the elected members of the board shall, at the first meeting of the board after the election, co-opt to the board, from among the members of the registered society, the representatives of women or Scheduled Castes and Scheduled Tribes, as the case may be, in accordance with such procedure as may be prescribed, and, notwithstanding anything contained in sub-section (3), the number of members of the board shall stand increased by such number as is co-opted under this proviso:—

Provided further that among the members elected to the board of every weavers society, there shall be thirty per cent representation for women and if the representatives of women are not elected to that extent, then, the elected members of the board shall, at the first meeting of the board after the election, co-opt to the board, from among the members of such society, the representatives of women, in accordance with such procedure as may be prescribed, and, notwithstanding anything contained in sub-section (3), the number of members of the board of such society shall stand increased by such number as is co-opted under this proviso:—”

(2) in sub-section (2), for the proviso, the following proviso shall be substituted, namely:—

“Provided that in the case of scheduled co-operative societies in which the majority of members are individuals, among the members elected to the board of every such scheduled co-operative society as may be prescribed, there shall be thirty per cent representation for women and eighteen per cent representation for Scheduled Castes and Scheduled Tribes and if the representatives of women or Scheduled Castes and Scheduled Tribes are not elected to that extent, then, the elected members of the board shall, at the first meeting of the board after the election, co-opt to the board, from among the members, if available, of the scheduled co-operative society, and if not so available, from among the members of the societies—

(i) affiliated to the scheduled co-operative society, or

(ii) affiliated to the societies which are affiliated to the scheduled co-operative society,

the representatives of women and Scheduled Castes and Scheduled Tribes, as the case may be, and, notwithstanding anything contained in sub-section (3), the number of members of the board shall stand increased by such number as is co-opted under this proviso.”

(3) in sub-section (3),—

(a) in clause (b), for the expression “not less than nine and not more than twenty-five members”, the expression “not less than eleven and not more than twenty-seven members” shall be substituted;

(b) in clause (c), for the expression “not more than fifteen members”, the expression “not more than seventeen members” shall be substituted;

(4) in sub-section (4), in clause (b), in sub-clause (i), for the proviso, the following proviso shall be substituted, namely:—

“Provided that among the members elected to the board of such of the societies referred to in clause (a) as may be prescribed, there shall be thirty per cent representation for women and eighteen per cent representation for Scheduled Castes and Scheduled Tribes and if the representatives of women or Scheduled Castes and



Scheduled Tribes are not elected to that extent, then, the elected members of the board shall, at the first meeting of the board after the election, co-opt to the board, from among the members of the registered society, the representatives of women or Scheduled Castes and Scheduled Tribes, as the case may be, in accordance with such procedure as may be prescribed, and, notwithstanding anything contained in sub-section (3), the number of members of the board shall stand increased by such number as is co-opted under this proviso.” ]

(5) in sub-section (10), after clause (a), the following clause shall be inserted, namely :—

“(aa) Every co-opted member of the board shall hold office only for such period for which such member would have been entitled to hold office if such member had been elected to the board.”;

(6) after sub-section (16), the following sub-section shall be added, namely :—

“(17) Every co-opted member of the board shall have all the rights, powers and privileges of an elected member of the board.”.

4. After section 36 of the principal Act, the following section shall be inserted, namely :—

Insertion of new section 36-A.

“ 36-A. *Qualifications and disqualifications for co-option of members to board.*— Notwithstanding anything contained in this Act, the provisions relating to the qualifications and disqualifications of the members of the board elected under this Act shall, as far as may be, apply in relation to the members co-opted to the board under sub-sections (1), (2) and (4) of section 33, as they apply to the members elected to the board.”.

5. In section 174 of the principal Act, in clause (b), after the words “in the election”, the words “or co-option” shall be inserted.

Amendment of section 174.

6. In sub-section (2) of section 180 of the principal Act,—

Amendment of section 180.

(1) in clause (i), after the words “for the election”, the word “co-option” shall be inserted.

(2) in clause (j), after the words “from electing”, the words “or co-opting” shall be inserted.

7. (1) Notwithstanding anything contained in the principal Act or the rules made thereunder, or in any other law for the time being in force, or in any judgment, decree or order of any court, tribunal or other authority, the term of office of every member, including the president and vice-president (whether elected or nominated), of the board of every primary society to which elections were held under the principal Act on or after the 1st day of January 1991 and before the date of the publication of this Act in the *Tamil Nadu Government Gazette*, holding office as such immediately before the date of such publication shall expire on the date of the publication of this Act in the *Tamil Nadu Government Gazette* and such member shall vacate his office on and from the date of such publication.

Term of office of members of certain primary societies to expire.

(2) (a) Notwithstanding anything contained in the principal Act, or in any other law for the time being in force, or in any decree or order of any court, tribunal or other authority, on and from the date of the publication of this Act in the *Tamil Nadu Government Gazette*, the Government shall appoint a person as Special Officer to manage the affairs of any primary society referred to in sub-section (1).

(b) Nothing in this sub-section shall prevent the appointment of the same person as Special Officer for two or more primary societies.

(3) The provisions of the Tamil Nadu Co-operative Societies (Appointment of Special Officers) Act, 1991 shall, as far as may be, apply to the Special Officers appointed under sub-section (2) as they apply to the Special Officers appointed under the said Tamil Nadu Act 30 of 1991.

Tamil Nadu Act of 1991.

(By order of the Governor)

MD. ISMAIL,  
Secretary to Government, Law Department.

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 14th December 1999 and is hereby published for general information :—

ACT No. 50 OF 1999

*An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.*

Be it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fiftieth Year of the Republic of India as follows :—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Amendment) Act, 1999. *Short title and commencement,*

(2) It shall come into force at once.

*Tamil Nadu  
Act 30 of 1983.*

2. In section 2 of the Tamil Nadu Co-operative Societies Act, 1983 (hereinafter referred to as the principal Act), for clause (12), the following clause shall be substituted, namely :— *Amendment of section 2.*

“(12) “Co-operative year” means the period commencing on the first day of April of any year and ending with the 31st day of March of the succeeding year;”.

3. After section 124 of the principal Act, the following section shall be inserted, namely :— *Insertion of new section 124-A.*

“124-A. *Prohibition of transfer of the property mortgaged by the mortgagor.*—

(1) Notwithstanding anything contained in the Transfer of Property Act, 1882 (Central Act IV of 1882) or any other law for the time being in force, no property or portion thereof mortgaged to a primary agriculture and rural development bank, except with the prior consent in writing of the bank and sanction of the Registrar and subject to such terms and conditions as the Registrar may impose, shall be transferred by way of sale, mortgage, settlement, gift or otherwise.

(2) Any transfer of any property or portion thereof by sale, mortgage, settlement, gift or otherwise, in contravention of sub-section (1) shall be null and void and the transferor shall be liable to punishment provided in section 158.”.

*Amendment of  
section 158.*

4. In section 158 of the principal Act,—

(1) In the marginal heading, for the expression “sections 40, 41, 95 or 105”, the expression “sections 40, 41, 95, 105, 124 or 124-A” shall be substituted ;

(2) After the expression “sub-section (3) of section 105”, the expression “or sub-section (1) of section 124 or section 124-A” shall be inserted.

*Substitution of  
expressions in  
Tamil Nadu  
Act 30 of 1983.*

5. (1) In the principal Act, except in sections 173, 177 and 183—

(a) for the expression “land development bank”, wherever it occurs, the expression “agriculture and rural development bank” shall be substituted;

(b) for the expression “land development banks”, wherever it occurs, the expression “agriculture and rural development banks” shall be substituted ;

(c) for the expression “Land Development Bank”, wherever it occurs, the expression “Agriculture and Rural Development Bank” shall be substituted;

(d) in Chapter XIV, for the heading “LAND DEVELOPMENT BANKS”, the heading “AGRICULTURE AND RURAL DEVELOPMENT BANKS” shall be substituted ; and

(e) in the Schedule, in PART-B, for the expression "Co-operative Land Development Banks", the expression "Co-operative Agriculture and Rural Development Banks" shall be substituted.

*Construction of  
reference to  
land develop-  
ment bank.*

6. Any reference to the expression "land development bank" in any other Act, or in any rule, notification, proceeding, order, by-law or other instrument made or issued or continued under such Act or under the principal Act shall be construed as reference to the "agriculture and rural development bank".

*Legal  
proceedings.*

7. Where immediately before the commencement of this Act, any legal proceeding is pending to which the "land development bank" is a party, "agriculture and rural development bank" shall be deemed to be substituted for the "land development bank" in that proceeding.

(By order of the Governor)

K. PARTHASARATHY,  
Secretary to Government,  
Law Department.

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 21st September 2001 and is hereby published for general information:—

**ACT No. 12 OF 2001.**

*An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.*

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-second Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Amendment) Act, 2001.

Short title and  
commence-  
ment.

(2) It shall be deemed to have come into force on the 12th day of June 2001.

Tamil Nadu Act  
30 of 1983.

2. After section 89 of the Tamil Nadu Co-operative Societies Act, 1983 (hereinafter referred to as the principal Act), the following section shall be inserted, namely:—

Insertion of new  
section 89-A.

*"89-A. Power of special officer/administrator to admit any individual as member.—*Notwithstanding anything contained in this Act or in any other law for the time being in force or in any judgment, decree or order of any court or other authority, the special officer appointed under sub-section (1) of section 88 or under sub-section (1) of section 89, or the administrator appointed under sub-section (12) of section 33, as the case may be, shall have the power of exercising the functions of the board under clause (i) of sub-section (2) of section 21, to admit, any individual eligible for admission, as a member of the society, in accordance with the provisions of section 21."

Tamil Nadu  
Ordinance 3  
of 2001.

3. (1) The Tamil Nadu Co-operative Societies (Amendment) Ordinance, 2001 is hereby repealed.

Repeal and  
saving.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

(By order of the Governor)

**M. BAULIAH,**  
*Secretary to Government,  
Law Department.*



# TAMIL NADU GOVERNMENT GAZETTE

**EXTRAORDINARY** PUBLISHED BY AUTHORITY

No. 336]

CHENNAI, MONDAY, MAY 20, 2002  
Vaikasi 6, Chitrabhanu, Thiruvalluvar Aandu-2033

## Part IV—Section 2

### Tamil Nadu Acts and Ordinances.

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 19th May 2002 and is hereby published for general information:—

#### ACT No. 9 OF 2002.

*An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.*

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-third Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Amendment) Act, 2002.

Short title  
and com-  
mencement

(2) It shall come into force at once.

Tamil Nadu  
Act 30 of  
1983.

2. In section 89 of the Tamil Nadu Co-operative Societies Act, 1983, in the proviso to sub-section (1), for the expression "one year", the expression "two years" shall be substituted.

Amendment  
of section  
89.

(By order of the Governor)

**A. KRISHNANKUTTY NAIR,**  
*Secretary to Government,  
Law Department.*

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 17th May 2003 and is hereby published for general information:—

**ACT No. 18 OF 2003.**

*An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.*

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-fourth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Amendment) Act, 2003.

Short title and  
commence-  
ment.

(2) It shall come into force at once.

2. In section 89 of the Tamil Nadu Co-operative Societies Act, 1983, in the proviso to sub-section (1), for the expression "two years", the expression "three years" shall be substituted.

Amendment of  
section 89.

Nadu Act  
of 1983

(By Order of the Governor)

**A. KRISHNANKUTTY NAIR,**  
*Secretary to Government,  
Law Department.*



# TAMIL NADU GOVERNMENT GAZETTE

EXTRAORDINARY

PUBLISHED BY AUTHORITY

No. 43]

CHENNAI, THURSDAY, FEBRUARY 12, 2004  
Thai 29, Subhanu, Thiruvalluvar Aandu-2035

## Part IV—Section 2

### Tamil Nadu Acts and Ordinances.

The following Act of the Tamil Nadu Legislative Assembly received the assent of the President on the 10th February 2004 and is hereby published for general information:—

#### ACT No. 3 OF 2004.

*An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.*

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-fourth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Second Amendment) Act, 2003.

Short title and  
commence-  
ment.

(2) It shall come into force on such date as the State Government may, by notification, appoint.

Tamil Nadu  
Act 30 of  
1983.

2. After section 137 of the Tamil Nadu Co-operative Societies Act, 1983 (hereinafter referred to as the principal Act), the following section shall be inserted, namely:—

Insertion of  
new section  
137-A.

"137-A. *Special provisions in respect of Sick Registered Societies.*—(1)(a) Notwithstanding anything contained in this Act or the rules made thereunder or the bylaws of the societies concerned or in any other law for the time being in force, where in the opinion of the Registrar, a registered society in which shares are held by the Government, is or has become sick and there is no possibility to rehabilitate the same, the Registrar shall, after consulting the Government, and the financing bank, if any, to which such society is indebted and subject to such rules, including identification of the transferee as may be prescribed direct the board concerned in writing, within such time, as may be specified in the notice, to transfer its assets or its assets and liabilities, in whole or in part, to any other registered society, or a company, or a firm or a body, whether incorporated or not, on such terms and conditions, as may be prescribed and on such transfer, the said society shall stand dissolved.

(b) If, within the time specified in the notice referred to in clause (a), the registered society fails to comply with the direction of the Registrar, he shall, after giving an opportunity in the manner prescribed, to the general body, the board of such society and the creditors thereof to make their representations, if any, by order notified in the *Tamil Nadu Government Gazette*, take such action as he deems fit in

the matter, including the issue of a direction to the registered society to transfer its assets or its assets and liabilities, in whole or in part in the manner referred to in clause (a) and on such transfer the said society shall stand dissolved.

(2) It shall be competent for the Government to give such directions as they deem fit to the Registrar, for purposes of this section.

*Explanation.*—For the purpose of this section, "Company" means a company as defined in the Companies Act, 1956 (Central Act I of 1956)."

Amendment of  
section 140.

3. In section 140 of the principal Act, for the expression "where the affairs of a registered society have been completely wound up", the expression "where the affairs of a registered society have been completely wound up or dissolved under section 137-A" shall be substituted.

(By order of the Governor)

A. KRISHNANKUTTY NAIR,  
*Secretary to Government,  
Law Department.*

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The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 5th August 2004 and is hereby published for general information:—

**ACT No. 13 OF 2004.**

***An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.***

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-fifth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Amendment) Act, 2004.

Short title and  
commence-  
ment.

(2) It shall be deemed to have come into force on the 21st day of May 2004.

2. In section 89 of the Tamil Nadu Co-operative Societies Act, 1983 (hereinafter referred to as the principal Act), in the proviso to sub-section (1), for the expression "three years", the expression "four years" shall be substituted.

Amendment  
of section  
89.

3. (1) The Tamil Nadu Co-operative Societies (Amendment) Ordinance, 2004 is hereby repealed.

Repeal and  
saving

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

(By order of the Governor)

**L. JAYASANKARAN,**  
Secretary to Government-in-charge,  
Law Department.

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 5th August 2004 and is hereby published for general information:—

**ACT No. 18 OF 2004.**

***An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.***

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-fifth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Second Amendment) Act, 2004.

Short title and  
commence-  
ment.

(2) It shall come into force on such date as the State Government may, by notification, appoint.

2. In section 23 of the Tamil Nadu Co-operative Societies Act, 1983 (hereinafter referred to as the principal Act), in sub-section (2), in clause (b), the expression "or is sentenced under section 162" shall be omitted.

Amendment of  
section 23.

3. In section 34 of the principal Act, in sub-section (1),—

Amendment of  
section 34.

(a) in clause (f), in sub-clause (i), the expression "other than an offence under section 162" shall be omitted;

(b) clause (g) shall be omitted.

4. In section 36 of the principal Act, in sub-section (1), the expression "or of any corrupt practice as defined in section 162" shall be omitted.

Amendment of  
section 36.

5. Section 162 of the principal Act shall be omitted.

Omission of  
section 162.

6. After section 164 of the principal Act, the following Section shall be inserted, namely:—

Insertion of  
new section  
164-A.

**"164-A Other provisions of law not barred.**—Any action taken against any person under this Act shall not affect, and shall be in addition to, any other proceedings by way of investigation or otherwise which might apart from this Act be instituted against him."

(By order of the Governor)

**L. JAYASANKARAN,**  
Secretary to Government-in-charge,  
Law Department.

Tamil Nadu Act  
30 of 1983.

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 9th May 2005 and is hereby published for general information:—

**ACT No. 3 OF 2005.**

***An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.***

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-sixth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Amendment) Act, 2005.

Short title and  
commence-  
ment.

(2) It shall come into force at once.

Tamil Nadu Act  
30 of 1983.

2. In Section 89 of the Tamil Nadu Co-operative Societies Act, 1983, in the proviso to sub-section (1), for the expression "four years", the expression "five years" shall be substituted.

Amendment of  
Section 89.

Tamil  
Act :  
2005

(By order of the Governor)

**L. JAYASANKARAN,**  
*Secretary to Government,*  
*Law Department.*

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 5th September 2006 and is hereby published for general information:—

**ACT No. 20 OF 2006.**

***An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.***

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-seventh Year of the Republic of India as follows :—

Short title and  
commence-  
ment.

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Amendment) Act, 2006.

(2) It shall be deemed to have come into force on the 25th day of May 2006.

Amendment of  
Section 89.

2. In section 89 of the Tamil Nadu Co-operative Societies Act, 1983 (hereinafter referred to as the principal Act), in the proviso to sub-section (1), for the expression "five years", the expression "five years and six months" shall be substituted.

Tamil Nadu  
Act 30 of  
1983.

Validation.

3. Notwithstanding anything contained in the principal Act, every person exercising the powers and discharging the functions as Special Officer, with effect on and from the 25th day of May 2006 in the case of primary co-operative societies and with effect from the 26th day of May 2006 in the case of central and apex co-operative societies, shall be deemed to have been appointed as such Special Officer of the said co-operative societies under sub-section (1) of section 89 of the principal Act, as amended by this Act, and anything done or any action taken by the said Special Officers during the period commencing on the 25th day of May 2006 and ending with the date of publication of this Act in the *Tamil Nadu Government Gazette*, shall be deemed to have been validly done or taken under the principal Act, as amended by this Act.

(By order of the Governor)

**S. DHEENADHAYALAN,**  
*Secretary to Government in-charge,  
Law Department.*

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 5th September 2006 and is hereby published for general information:—

**ACT No. 21 OF 2006.**

***An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.***

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-seventh Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Second Amendment) Act, 2006.

Short title and  
commence-  
ment.

(2) It shall come into force at once.

2. Section 89-A of the Tamil Nadu Co-operative Societies Act, 1983 shall be omitted.

Omission of  
Section 89-A.

(By order of the Governor)

**S. DHEENADHAYALAN,**  
*Secretary to Government in-charge,  
Law Department.*

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 23rd December 2006 and is hereby published for general information:—

ACT No. 39 OF 2006.

**An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.**

Be it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-seventh Year of the Republic of India as follows:—

Short title and  
commence-  
ment.

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Third Amendment) Act, 2006.

(2) It shall be deemed to have come into force on the 25th day of November 2006.

Amendment of  
section 89.

2. In Section 89 of the Tamil Nadu Co-operative Societies Act, 1983 (hereinafter referred to as the principal Act), in the proviso to sub-section (1), for the expression "five years and six months", the expression "six years" shall be substituted.

Tamil Nadu Act  
30 of 1983

Validation

3. Notwithstanding anything contained in the principal Act, every person exercising the powers and discharging the functions as Special Officer, with effect on and from the 25th day of November 2006 in the case of primary co-operative societies and with effect from the 26th day of November 2006 in the case of central and apex co-operative societies, shall be deemed to have been appointed as such Special Officer of the said co-operative societies under sub-section (1) of Section 89 of the principal Act, as amended by this Act, and anything done or any action taken by the said Special Officers during the period commencing on the 25th day of November 2006 or the 26th day of November 2006 as the case may be, and ending with the date of publication of this Act in the *Tamil Nadu Government Gazette*, shall be deemed to have been validly done or taken under the principal Act, as amended by this Act.

(By Order of the Governor)

S. DHEENADHAYALAN,  
Secretary to Government in-charge,  
Law Department.



# TAMIL NADU GOVERNMENT GAZETTE

EXTRAORDINARY

PUBLISHED BY AUTHORITY

No. 126]

CHENNAI, MONDAY, MAY 21, 2007  
Vaikasi 7, Sarvajith, Thiruvalluvar Aandu-2038

## Part IV—Section 2

### Tamil Nadu Acts and Ordinances

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 18th May 2007 and is hereby published for general information:—

ACT No. 6 OF 2007.

*An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.*

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-eighth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Amendment) Act, 2007.

Short title and  
commence-  
ment.

(2) It shall come into force at once.

2. In section 89 of the Tamil Nadu Co-operative Societies Act, 1983, in the proviso to sub-section (1), for the expression "six years", the expression "six years and six months" shall be substituted.

Amendment of  
section 89.

(By Order of the Governor)

S. DHEENADHAYALAN,  
Secretary to Government-in-charge,  
Law Department.

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 8th February 2008 and is hereby published for general information:—

ACT No. 3 OF 2008.

**An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.**

Be it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-ninth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Amendment) Act, 2008.

Short title and  
commence-  
ment.

(2) It shall be deemed to have come into force on the 21st day of November 2007.

2. In section 89 of the Tamil Nadu Co-operative Societies Act, 1983 (hereinafter referred to as the principal Act), in the proviso to sub-section (1), for the expression "six years and six months", the expression "seven years" shall be substituted.

Amendment of  
section 89.

3. (1) The Tamil Nadu Co-operative Societies (Second Amendment) Ordinance, 2007 is hereby repealed.

Repeal and  
saving

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

(By order of the Governor)

S. DHEENADHAYALAN,  
Secretary to Government-in-charge,  
Law Department.



The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 22nd May 2008 and is hereby published for general information:—

**ACT No. 19 OF 2008.**

***An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.***

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-ninth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Second Amendment) Act, 2008.

Short title and  
commence-  
ment.

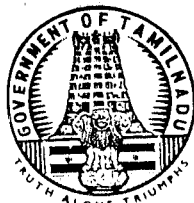
(2) It shall come into force at once.

2. In Section 89 of the Tamil Nadu Co-operative Societies Act, 1983, in the proviso to sub-section (1), for the expression "seven years", the expression "seven years and six months" shall be substituted.

Amendment of  
Section 89.

(By Order of the Governor)

**S. DHEENADHAYALAN,**  
**Secretary to Government,**  
**Law Department.**



# TAMIL NADU GOVERNMENT GAZETTE

EXTRAORDINARY PUBLISHED BY AUTHORITY

No. 354]

CHENNAI, MONDAY, NOVEMBER 24, 2008  
Karthigai 9, Thiruvalluvar Aandu-2039

## Part IV—Section 2

### Tamil Nadu Acts and Ordinances

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 22nd November 2008 and is hereby published for general information:—

#### ACT No. 46 OF 2008.

*An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.*

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-ninth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Fourth Amendment) Act, 2008.

Short title  
and  
commence-  
ment.

(2) It shall come into force at once.

Tamil Nadu  
Act 30 of  
1983.

2. In section 89 of the Tamil Nadu Co-operative Societies Act, 1983, in the proviso to sub-section (1), for the expression "seven years and six months", the expression "eight years" shall be substituted.

Amendment  
of section 89.

(By order of the Governor.)

S. DHEENADHAYALAN,  
Secretary to Government,  
Law Department.

The following Act of the Tamil Nadu Legislative Assembly received the assent of the Governor on the 30th November 2008 and is hereby published for general information:—

**ACT No. 62 OF 2008.**

***An Act further to amend the Tamil Nadu Co-operative Societies Act, 1983.***

Be it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-ninth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Co-operative Societies (Third Amendment) Act, 2008.

Short title and commencement.

(2) It shall be deemed to have come into force on the 21st day of October 2008.

Tamil Nadu Act of 1983.

2. After Chapter XIV of the Tamil Nadu Co-operative Societies Act, 1983, the following Chapter shall be inserted, namely:—

Insertion of new Chapter XIV-A.

**"CHAPTER XIV-A.**

**SPECIAL PROVISIONS APPLICABLE TO SHORT TERM CO-OPERATIVE CREDIT STRUCTURE SOCIETIES.**

136-A. *Application of Chapter.*—This Chapter shall apply only to short term co-operative credit structure societies.

136-B. *Provisions of this Chapter to have overriding effect.*—Notwithstanding anything contrary or inconsistent contained in any other Chapter of this Act or rules framed thereunder or bye-laws of any registered society or orders issued thereunder, the provisions of this Chapter shall have overriding effect in respect of short term co-operative credit structure society.

136-C. *Definitions.*—(1) In this Chapter, unless the context otherwise requires,—

(a) "capital to risk weighted assets ratio" means the capital adequacy norms stipulated by the Reserve Bank from time to time;

(b) "central co-operative bank" means a central society engaged in the business of banking;

(c) "federal society" means an apex society to which central or primary societies of similar class or category are affiliated or a central society to which primary societies of similar class or category are affiliated;

(d) "National Bank" means the National Bank for Agriculture and Rural Development established under section 3 of the National Bank for Agriculture and Rural Development Act, 1981 (Central Act 61 of 1981);

(e) "primary agricultural credit society" means a co-operative society as defined under clause (cciv) of section 5 read with section 56 of the Banking Regulation Act, 1949 (Central Act X of 1949);

(f) "Reserve Bank" means the Reserve Bank of India constituted under section 3 of the Reserve Bank Act, 1934 (Central Act II of 1934);

(g) "short term co-operative credit structure society" means the short term co-operative credit society at the apex level, central level or primary level and includes the State Apex Co-operative Bank, a Central Co-operative Bank and a primary agricultural credit society;

(h) "State Apex Co-operative Bank" means an apex society engaged in the business of banking.

136-D. *Special provisions applicable to short term co-operative credit structure societies.*—(1) (a) A depositor holding a minimum deposit of rupees five thousand or such minimum sum as may be specified by the Government, from time to time, for a continuous

period of minimum two years in a primary agricultural credit society shall become a member of the registered society under section 21 by subscribing the minimum share capital specified in the bye-laws and shall have full membership, voting rights and eligible for patronage rebate, bonus and dividend.

(b) An individual or group borrower shall have the right to become a member of the registered society under section 21.

(c) Every group depositor or group borrower who has become a member under section 21 shall be entitled to vote through one delegate nominated by the group.

(2) A short term co-operative credit structure society shall have autonomy in all financial and internal administrative matters including the following areas -

(i) interest rates on deposits and loans in conformity with the guidelines issued by the Reserve Bank;

(ii) borrowing and investments;

(iii) loan policies and decisions on individual loan,

(iv) personnel policy, staffing, recruitment, posting and remuneration to staff, and

(v) internal control systems, appointment of auditors and remuneration for the audit.

(3) The Government's subscription in the share capital of any short term co-operative credit structure society shall not exceed twenty-five per cent and the Government or short term co-operative credit structure society may reduce the Government's subscription further at its choice.

(4) (a) There shall be only one nominee of the Government in the Board of the State Apex Co-operative Bank or a Central Co-operative Bank if the Government has subscribed to its share capital.

(b) There shall be no nominee of the Government in the Board of a primary agricultural credit society irrespective of Government's subscription to the share capital.

(5) A short term co-operative credit structure society may affiliate or disaffiliate with a federal society at its choice subject to the condition that the said short term co-operative credit structure society which exits with the existing structure and affiliates with another federal society shall display this in the name board of the said short term co-operative credit structure society.

(6) A short term co-operative credit structure society shall have the freedom of entry and exit at any tier and there shall be no mandatory restrictions of geographical boundaries for its operations.

(7) A short term co-operative credit structure society may, subject to the guidelines of the Reserve Bank, invest or deposit its funds in any Bank or financial institution regulated by the Reserve Bank and not necessarily in the federal society to which it is affiliated.

(8) A short term co-operative credit structure society may, obtain loans from any Bank or financial institution regulated by the Reserve Bank and re-finance from the National Bank or any other financing institution directly or through any Reserve Bank regulated financial institutions and not necessarily from the federal society to which it is affiliated.

(9) A primary agricultural credit society may pay dividend in accordance with the guidelines framed by the Registrar in consultation with the National Bank.

(10) The Government or the Registrar shall have no powers to direct any short term co-operative credit structure society to contribute to any fund other than those required for improving its net worth or own funds.

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(11) No person shall be elected, nominated or co-opted or allowed to continue as a member of the Board of a short term co-operative credit structure society, if he,-

(i) is a person who represents a society other than a primary agricultural credit society on the Board of a Central Co-operative Bank or the State Apex Co-operative Bank, if such society to whom he represents has committed a default towards the payments of such Bank for a period exceeding ninety days;

(ii) is a person who committed a default towards the payments to a primary agricultural credit society or represents a primary agricultural credit society on the Board of a Central Co-operative Bank or the State Apex Co-operative Bank, if such society to whom he represents has committed a default towards the payments of such Bank for a period exceeding one year unless the default is cleared;

(iii) is a person, who represents a society whose Board is superseded.

(12) (a) The supersession of the Board of the State Apex Co-operative Bank and the Central Co-operative Banks shall be done only with prior consultation of the Reserve Bank.

(b) The supersession of the Board of a primary agricultural credit society shall be done only on the following grounds:-

(i) if the primary agricultural credit society incurs losses for three consecutive years; or

(ii) if serious financial irregularities or frauds have been identified, or

(iii) if there are judicial directives to this effect; or

(iv) if there is lack of quorum for three consecutive meeting.

(13) (a) The Registrar shall conduct elections to a short term co-operative credit structure society before the expiry of the term of the existing Board.

(b) The Registrar shall conduct elections to a short term co-operative credit structure society within two months from the date of supersession:

Provided that in circumstances beyond control, the Government may allow holding of such elections within a period not exceeding six months from the date of supersession.

(c) A member of the Board of a primary agricultural credit society which has been superseded under this Act shall not be entitled to contest the election again for a period of three years from the date of supersession.

(14) (a) The bye-laws or any amendment to the bye-laws of a short term co-operative credit structure society shall be registered by the Registrar within thirty days from the date of receipt of the application.

(b) If the Registrar is satisfied that the proposed bye-laws or the amendments to the bye-laws are contrary to the provisions of the Act and the rules made thereunder, he shall reject the same duly recording his reasons thereon within thirty days from the date of receipt of the application.

(15) The prudential norms including capital to risk weighted assets ratio shall be prescribed by the Registrar for all the primary agricultural credit societies in consultation with the National Bank.

(16) The Directors and Chief Executive Officers of the State Apex Co-operative Bank or the Central Co-operative Banks who do not fulfill the criteria stipulated by the Reserve Bank shall be removed by the Registrar or the appointing authority, as the case may be, at the recommendation of the Reserve Bank or the National Bank.

(17) (a) There shall be such number of professionals having special knowledge or experience in such fields as may be stipulated by the Reserve Bank, on the Board of the State Apex Co-operative Bank and Central Co-operative Banks and in case such number of elected directors, in the opinion of Reserve Bank or National Bank, do not possess special knowledge or experience as stipulated by Reserve Bank, the Board of such State Apex Co-operative Bank or the Central Co-operative Bank, as the case may be, shall co-opt such number of professionals with full voting rights irrespective of,—

(i) the limit on the number of members of the Board under this Act or rules framed thereunder or in the bye-laws;

(ii) whether such professional is a member of the society or not.

(b) If any person who, in the opinion of the Reserve Bank, has been co-opted as a member of the Board under clause (a) of this sub-section without having requisite knowledge or experience as stipulated by the Reserve Bank, he shall, on being advised by the Reserve Bank or the National Bank, be removed from the office after giving him a reasonable opportunity of being heard.

(18) The Registrar shall ensure conduct of audit and certification of accounts of the State Apex Co-operative Bank and the Central Co-operative Banks by Chartered Accountants appointed by such Bank from a panel approved by the National Bank.

(19) The Registrar shall ensure conduct of special audit of the State Apex Co-operative Bank or a Central Co-operative Bank if requested by the Reserve Bank in the manner and form stipulated by the Reserve Bank and also furnish the report to Reserve Bank within the time stipulated.

(20) (a) The Registrar shall ensure that Reserve Bank's regulatory prescriptions in case of State Apex Co-operative Bank and Central Co-operative Banks including recommendation for supersession of the Board and winding up of the State Apex Co-operative Bank and Central Co-operative Banks are implemented within one month of being so advised by the Reserve Bank.

(b) The Registrar shall ensure that the liquidator or the Administrator, as the case may be, is appointed within two months of being so advised by the Reserve Bank for winding up or supersession.

(c) If in the opinion of the Reserve Bank or National Bank, the Chief Executive Officer of the State Apex Co-operative Bank or a Central Co-operative Bank, does not fulfill eligibility criteria specified by the Reserve Bank, the Registrar shall ensure removal of Chief Executive Officer within one month of being so advised by the Reserve Bank or the National Bank.

(d) If in the opinion of the Reserve Bank or the National Bank, a person has been co-opted as a member of the Board without having the requisite special knowledge or experience in such fields as may be stipulated by the Reserve Bank, the Registrar shall, on being advised by the Reserve Bank or the National Bank, ensure removal of that person co-opted within one month of being so advised by the Reserve Bank or the National Bank.

(21) No primary agricultural credit society or its federation or association, except those which are permitted to act as a Bank under the Banking Regulation Act, 1949 (Central Act X of 1949), shall be registered with the words 'Bank' or any other derivative of the word 'Bank' in its registered name or shall use the same as a part of its name:

Provided that where any primary agricultural credit society or its federation or association, except those which are permitted to act as a Bank under the Banking Regulation Act, 1949 (Central Act X of 1949), has been registered or using the same as a part of its name before the 21st day of October 2008 with the word 'Bank' or any of its derivatives in its registered name, it shall within three months from that date, change its name so as to remove the word 'Bank' or its derivative, if any, from its name:

Provided further that where any such society fails to comply with the above provisions within the period specified therein, the Registrar shall order the winding up of such society forthwith.

(22) Save as otherwise provided in this section, the existing provisions of the Act, rules and guidelines shall continue to be in force till the guidelines or stipulations are issued by the Reserve Bank or the National Bank wherever required for effective implementation of the provisions of this section.

(23) There shall be no cadre system in short term co-operative credit structure society and cadre system in such society shall be abolished.

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(24) No short term co-operative credit structure society shall be exempted by the Government from the application of the provisions of this Chapter without the prior approval of the Reserve Bank or the National Bank, as the case may be.

(25) The Government or the Registrar shall not do anything or take action or issue any order or direction which may have the effect of, curtailing any of the freedoms or powers given under this Chapter to any short term co-operative credit structure society or adversely affecting other provisions of this Chapter."

3. (1) The Tamil Nadu Co-operative Societies (Third Amendment) Ordinance, 2008 is hereby repealed.

Repeal and saving.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

(By order of the Governor)

S. DHEENADHAYALAN,  
Secretary to Government,  
Law Department.